

year for acquisitions and projects specified in § 8-707(7) of this subtitle shall not exceed the amount of the motor vehicle fuel tax paid to the Waterway Improvement Fund in the preceding fiscal year, as provided for in Article 56 § 137.

(f) Notwithstanding any other provision of this subtitle, funds deposited in the Waterway Improvement Fund may be used for amortization and payment of interest on bonds issued for financing projects authorized under this subtitle.

8-708.1.

(A) (1) PROJECTS FOR DREDGING CHANNELS ADJACENT TO MAIN CHANNELS OR HARBORS MAY BE FINANCED BY INTEREST-FREE LOANS TO A GOVERNING BODY FOR THE BENEFIT OF A RESIDENTIAL PROPERTY OWNER, OR A GROUP OF RESIDENTIAL PROPERTY OWNERS, WITH LAND ABUTTING THE ADJACENT CHANNEL, WHOSE PROPERTY HAS BEEN INCLUDED IN A WATERWAY IMPROVEMENT DISTRICT BY THE GOVERNING BODY.

(2) (I) EXCEPT AS PROVIDED IN PARAGRAPH (II) OF THIS SUBSECTION, UNLESS EVERY RESIDENTIAL PROPERTY OWNER WITH LAND ABUTTING THE ADJACENT CHANNEL AGREES TO PARTICIPATE IN THE FINANCING OF THE DREDGING PROJECT, THE DREDGING PROJECT MAY NOT BE APPROVED.

(II) IF ALL RESIDENTIAL PROPERTY OWNERS ABUTTING A CHANNEL ADJACENT TO A MAIN CHANNEL OR HARBOR AGREE TO EXEMPT A RESIDENTIAL PROPERTY OWNER, OR GROUP OF RESIDENTIAL PROPERTY OWNERS, FROM PARTICIPATING IN THE FINANCING OF THE DREDGING PROJECT, THE RESIDENTIAL PROPERTY OWNER, OR GROUP OF RESIDENTIAL PROPERTY OWNERS, SHALL BE EXEMPT.

(B) REPAYMENTS OF THE PRINCIPAL ON LOANS MADE UNDER THIS SECTION SHALL BE MADE THROUGH A SPECIAL REAL ESTATE ASSESSMENT THE STATE LEVIES ON THE PROPERTY OWNED BY THOSE PARTICIPATING IN THE FINANCING OF THE DREDGING PROJECT BY THE GOVERNING BODY IN ACCORDANCE WITH § 8-708(C) OF THIS SUBTITLE.

(c)-(i)--ON RECEIPT OF CERTIFICATION FROM THE DEPARTMENT THAT A DREDGING PROJECT FINANCED UNDER THE PROVISIONS OF THIS SECTION IS COMPLETED AND THE CONTRACTOR PAID, THE BOARD OF PUBLIC WORKS SHALL LEVY A SPECIAL REAL ESTATE ASSESSMENT ON THE PROPERTY OWNED BY THOSE PARTICIPATING IN THE FINANCING OF THE DREDGING PROJECT.

(2)--THE SPECIAL REAL ESTATE ASSESSMENT SHALL BE:

(i)--PAYABLE---IN---ANNUAL---INSTALLMENTS---OVER---A PERIOD NOT EXCEEDING 25 YEARS, AND

(ii)--CALCULATED SO AS TO RETURN TO THE WATERWAY IMPROVEMENT FUND THE COST OF THE DREDGING PROJECT.